

Department of Legislative Services
Maryland General Assembly
2016 Session

FISCAL AND POLICY NOTE
Third Reader

House Bill 1 (Delegate Barve, *et al.*)

Environment and Transportation

Judicial Proceedings

Motor Vehicles - Special Registration Plates - Confederate Battle Flag

This bill prohibits the display of the Confederate battle flag on motor vehicle registration plates. Thus, the Motor Vehicle Administration (MVA) is prohibited from transferring a special registration plate already depicting the Confederate battle flag to another vehicle. The bill also prohibits MVA from renewing the registration of motor vehicles with such plates until the special registration plates are returned in exchange for substitute registration plates.

Fiscal Summary

State Effect: The bill generally reflects a recent change at MVA. Any impact on State finances is negligible and can be absorbed within the agency's existing budget.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: Upon registering a vehicle, MVA issues registration plates to the vehicle owner. Each set of registration plates displays the name of the State (which may be abbreviated) as well as a registration number (consisting of letters, numerals, or both) assigned to the vehicle for which it is issued. The registered owner of a vehicle may transfer existing plates to another vehicle by submitting an application and paying a transfer fee to MVA. Special registration plates, which include an unusual feature such as an emblem or logo depicting an organization, are available for eligible vehicles with payment of an additional fee. Special registration plates are also transferrable.

Background: MVA issues several types of special commemorative geographical, historical, natural resource, and environmental registration plates (such as the Chesapeake Bay and Maryland agriculture plates), as well as numerous organizational registration plates. According to the National Conference of State Legislatures, as of July 2014, Maryland issues more than 700 special registration plates.

MVA does not currently offer special registration plates depicting the Confederate battle flag. However, prior to November 2015, MVA offered a Sons of Confederate Veterans organizational special registration plate, which included a depiction of the Confederate battle flag. The State attempted to recall the Sons of Confederate Veterans plates in the 1990s, but in 1997 the U.S. District Court ruled the tags were protected as free speech under the First Amendment of the U.S. Constitution. Consequently, MVA continued offering the Sons of Confederate Veterans special registration plate.

In June 2015, the Supreme Court of the United States ruled in *Walker v. Texas Div., Sons of Confederate Veterans, Inc.*, 576 U.S. ____ (2015), that specialty license plates are a form of government speech and, consequently, states may choose to reject specialty plates without violating the First Amendment. The decision paved the way for a number of states – including Maryland – to rescind specialty license plates depicting the Confederate battle flag. The State subsequently requested the 1997 injunction be lifted, and in October 2015, the U.S. District Court issued an order granting the request effective November 2015.

MVA advises 33 outstanding special registration plates depict the Confederate battle flag. The Administration is currently recalling the remaining plates. The registered owner must exchange the Sons of Confederate Veterans special registration plate for either a standard Maryland registration plate or an alternative special registration plate of the owner's choice; MVA is issuing a \$10 credit to each registered owner which may be applied toward a replacement plate.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Attorney General of Maryland; Maryland Department of Transportation; National Conference of State Legislatures; Department of Legislative Services

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min/ljm

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